

16 March 1955

Gentlemen:

Please refer to our Letter Contract, with attachment of Exhibit "A", dated 12 January 1955, as amended by Amendment No. 1 dated 16 February 1955.

Inasmuch as the period of performance for the work under Letter Contract No. A-101 has expired, and since negotiation and signature of the definitive contract contemplated in the Letter Contract has not been accomplished to date, and in consideration of the Government's desire to have the work continued and the Contractor's desire to continue the work, the instant document constitutes Amendment No. 2 to Letter Contract No. A-101, and further amends Letter Contract No. A-101, as amended, as follows:

In paragraph 3 of Exhibit "A", delete the date of 15 March 1955 and substitute in lieu thereof the date 1 April 1955.

Delete paragraph 4 of Exhibit "A" in its entirety and substitute in lieu thereof the following:

"The Contractor may submit invoices to the Government for actual costs incurred under this Letter Contract. The Government shall make interim payment of 100 % of such actual costs billed. At such time as this Letter Contract is superseded by a definitive contract the Contractor may invoice the Government for the proportionate part of the fixed-fee corresponding to payments made hereunder for costs incurred."

All other terms and conditions of Letter Contract No. A-101 remain unchanged.

Please indicate your acceptance of the foregoing by signing this Amendment No. 2 and the enclosed copies thereof. Return all copies to the undersigned.

Sincerely yours,

Contracting Officer

Accepted as of the date  
of this document:

By

Title

Approved For Release 2002/06/13 : CIA-RDP81B00878R000100100021-2

AUTH: HR 70-2

DATE: 13/11/81

25X1A

25X1A

Letter Contract No. A-101  
Amendment No. 1

16 February 1955

Gentlemen:

25X1A Please refer to our Letter Contract, with attachment of Exhibit "A", dated 12 January 1955, in a contract authorization amount not to exceed [redacted] with an expiration date of 15 February 1955, and hereinafter referred to as Letter Contract No. A-101.

Inasmuch as the period of performance for the work under Letter Contract No. A-101 has expired, and since it has not been feasible to date to negotiate a definitive contract to supersede such outstanding letter of intent, and in consideration of the Sponsor's desire to have the work continued and the Contractor's desire to continue the work, the instant document constitutes Amendment No. 1 to Letter Contract No. A-101 and amends the latter as follows:

25X1A In paragraph 2 of Exhibit "A", delete the figure of [redacted] and substitute in lieu thereof the figure of [redacted]

In paragraph 3 of Exhibit "A", delete the date of 15 February 1955 and substitute in lieu thereof the date of 15 March 1955.

All other terms and conditions of Letter Contract No. A-101 remain unchanged.

Please indicate your acceptance of the foregoing by signing this Amendment No. 1 and the enclosed copies. Return all copies to the undersigned.

25X1A

Sincerely yours,

[redacted]  
Contracting Officer

Accepted, as of the date  
of this document:

25X1A By [redacted]

Title \_\_\_\_\_  
\_\_\_\_\_

DOCUMENT NO. 131  
NO CHANGE IN CLASS. X  
CLASS. & EXTENT IS S C 2611  
131181 reviewed: 010250

A-101  
12 Jan. 1955

Gentlemen:

1. This letter constitutes a contract on the terms set forth herein and signifies our intention to execute a formal cost type contract, including appropriate fee, with you for the delivery of the supplies and the performance of the services as set forth in the attached enclosure, marked Exhibit "A", upon the terms and conditions therein stated. Said formal contract will be in the form used by us for procuring supplies and services of the kind indicated in Exhibit "A". This form will include the clauses required by Federal Law, Executive Order, and the procurement regulations and directives applicable to such procurements, which clauses are incorporated herein by reference. Exhibit "A", including the termination clause set forth herein is also made a part hereof.

2. You are directed, upon your acceptance of this letter, to proceed immediately to procure the necessary materials, and to commence the manufacture of the supplies and performance of the services, called for herein, and to pursue such work with all diligence to the end that the supplies may be delivered or services performed within the time specified in Exhibit "A", or if no time is so specified, at the earliest practicable date. In this connection, you shall give advance notification to the Contracting Officer of any proposed sub-contract or purchase order hereunder which is either (a) on a cost-plus-a-fixed-fee basis or (b) on a fixed price basis exceeding in dollar amount either   or five per centum of the amount authorized to be expended hereunder. You shall, in addition, obtain such approvals in respect to commitments hereunder as may be specified in Exhibit "A".

DOCUMENT NO. 132  
NO CHANGE IN CLASS. ☐  
FILED  
DATE 12/1/55  
BY SP-10  
AT 100  
13/1/55  
2011

3. You shall enter into negotiation for the execution of the formal contract with us without delay. In this connection, you shall submit a quotation of the estimated cost to us including fixed fee for the articles and services covered by this letter. Such quotation shall be supported by a cost breakdown reflecting the expenditure categories anticipated in the performance of this contract.

4. Unless otherwise provided in Exhibit "A" no payments to you shall be made under this letter except as provided in paragraph 5 below.

5. In the event of a termination of performance of the work or any part thereof under this letter by notice given pursuant to the Termination Clause incorporated herein by reference, or in the event that the formal contract is not executed within the time specified in Exhibit "A", or any extension of such time as may be authorized in writing by the Contracting Officer, you shall be paid in accordance with the provisions of such Termination Clause, except that no profit will be allowed if the Contracting Officer finds that you have delayed the execution of a formal contract for an unreasonable period; provided, however, that in no event shall our liability to you hereunder exceed the amount specified in Exhibit "A" or such other amount as may be authorized in writing by the Contracting Officer.

6. Please indicate your acceptance of the foregoing by signing this letter and the enclosed copies hereof. Retain one copy for your files and return the remainder to this office.

25X1A

  
Contracting Officer

Enclosure:  
Exhibit "A"

Accepted, as of the date  
of this letter.

12 Jan, 1955

BY 

*The Ramo-Wolfe Corp.*

25X1A

Contract No. \_\_\_\_\_

EXHIBIT "A"

1. Pursuant to the terms of our letter contract, of which this Exhibit "A" is a part, you shall proceed to conduct studies on devices for recording electronic emissions. Such studies shall be directed toward the solution of the theoretical and technical problems associated with construction of such devices in satisfaction of our basic requirements for such devices to be of small size and weight and to have a maximum number of automatic features. Concurrently with such studies you shall proceed with preparations for construction of these recording devices and associated components to the extent necessary in order that upon completion of the basic studies in those areas requiring such study a minimum amount of time will be required to complete construction of the complete assembly.

2. This contract authorization is in an amount not to exceed

3. The period of performance of the work set forth herein shall extend through February 15, 1955.

4. APPENDIX I, TERMINATION, attached hereto, is made a part of this contract and shall govern with respect to any termination proceedings under this contract.

5. You shall report the progress of the work under this contract at monthly intervals in such form and manner as the Contracting Officer, or his authorized representative, may require.

6. You shall observe such security requirements in connection with this contract as the Contracting Officer, or his authorized representative, may direct.

APPENDIX I

TERMINATION

(a) The performance of work under the contract may be terminated by the Government in accordance with this clause in whole, or from time to time in part, (1) whenever the Contractor shall default in performance of this contract in accordance with its terms (including in the term "default" any such failure by the Contractor to make progress in the prosecution of the work hereunder as endangers such performance), and shall fail to cure such default within a period of ten days (or such longer period as the Contracting Officer may allow) after receipt from the Contracting Officer of a notice specifying the default, or (2) whenever for any reason the Contracting Officer shall determine that such termination is in the best interests of the Government. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying whether termination is for the default of the Contractor or for the convenience of the Government, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective. If, after notice of termination of this contract for default under (1) above, it is determined that the Contractor's failure to perform or to make progress in performance is due to causes beyond the control and without the fault or negligence of the Contractor pursuant to the provisions of the clause of this contract relating to excusable delays, the Notice of Termination shall be deemed to have been issued under (2) above, and the rights and obligations of the parties hereto shall in such event be governed accordingly.

(b) After receipt of a Notice of Termination and except as otherwise directed by the Contracting Officer, the Contractor shall (1) stop work under the contract on the date and to the extent specified in the Notice of Termination (2) place no further orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portion of the work under the contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination; (4) assign to the Government, in the manner and to the extent directed by the Contracting Officer, all of the right, title, and interest of the Contractor under the orders or subcontracts so terminated; (5) with the approval or ratification of the Contracting Officer, to the extent he may require, which approval or ratification shall be final and conclusive for all purposes of this clause, settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, the cost of which would be reimbursable, in whole or in part, in accordance with the provisions of this contract; (6) transfer title (to the extent that title has not already been transferred) and, in the manner, to the extent, and at the times directed by the Contracting Officer, deliver to the Government (i) the fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in respect of the performance of,

(For Fixed-Fee Contracts)

the work terminated by the Notice of Termination, (ii) the completed or partially completed plans, drawings, information, and other property which, if the contract had been completed, would be required to be furnished to the Government, and (iii) the jigs, dies, and fixtures, and other special tools and tooling acquired or manufactured for the performance of this contract for the cost of which the Contractor has been or will be reimbursed under this contract; (7) use its best efforts to sell in the manner, at the times, to the extent, and at the price or prices directed or authorized by the Contracting Officer, any property of the types referred to in provision (6) of this paragraph, provided, however, that the Contractor (i) shall not be required to extend credit to any purchaser, and (ii) may acquire any such property under the conditions prescribed by and at a price or prices approved by the Contracting Officer; and provided further that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Government to the Contractor under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as the Contracting Officer may direct; (8) complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and (9) take such action as may be necessary, or as the Contracting Officer may direct, for the protection and preservation of the property related to this contract which is in the possession of the Contractor and in which the Government has or may acquire an interest. The Contractor shall proceed immediately with the performance of the above obligations notwithstanding any delay in determining or adjusting the amount of the fixed-fee, or any item of reimbursable cost, under this clause. At any time after expiration of the plant clearance period, as defined in Section VIII, Armed Services Procurement Regulation, as it may be amended from time to time, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorized by the Contracting Officer, and may request the Government to remove such items or enter into a storage agreement covering them. Not later than fifteen (15) days thereafter, the Government will accept title to such items and remove them or enter into a storage agreement covering the same, provided that the list submitted shall be subject to verification by the Contracting Officer upon removal of the items, or if the items are stored, within forty-five (45) days from the date of submission of the list, and any necessary adjustment to correct the list as submitted shall be made prior to final settlement.

(c) After receipt of a Notice of Termination, the Contractor shall submit to the Contracting Officer its termination claim in the form and with the certification prescribed by the Contracting Officer. Such claim shall be submitted promptly but in no event later than two years from the effective date of termination, unless one or more extensions in writing are granted by the

Contracting Officer upon request of the Contractor made in writing within such two-year period or authorized extension thereof. However, if the Contracting Officer determines that the facts justify such action, he may receive and act upon any such termination claim at any time after such two-year period or any extension thereof. Upon failure of the Contractor to submit its termination claim within the time allowed, the Contracting Officer may determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall thereupon pay to the Contractor the amount so determined.

(d) Subject to the provisions of paragraph (c), the Contractor and the Contracting Officer may agree upon the whole or any part of the amount or amounts to be paid (including an allowance for the fixed-fee) to the Contractor by reason of the total or partial termination of work pursuant to this clause. The contract shall be amended accordingly, and the Contractor shall be paid the agreed amount.

(e) In the event of the failure of the Contractor and the Contracting Officer to agree in whole or in part, as provided in paragraph (d) above, as to the amounts with respect to costs and fixed-fee, or as to the amount of the fixed-fee, to be paid to the Contractor in connection with the termination of work pursuant to this clause, the Contracting Officer shall determine, on the basis of information available to him, the amount, if any, due to the Contractor by reason of the termination and shall pay to the Contractor the amount determined as follows:

(1) If the settlement includes cost and fixed-fee

(i) There shall be included therein all costs and expenses reimbursable in accordance with this contract, not previously paid to the Contractor for the performance of this contract prior to the effective date of the Notice of Termination, and such of these costs as may continue for a reasonable time thereafter with the approval of or as directed by the Contracting Officer, provided, however, that the Contractor shall proceed as rapidly as practicable to discontinue such costs.

(ii) There shall be included therein so far as not included under (i) above, the cost of settling and paying claims arising out of the termination of work under subcontracts or orders, as provided in paragraph (b) (5) above, which are properly chargeable to the terminated portion of the contract.

(iii) There shall be included therein the reasonable costs of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claims and supporting data with respect to the terminated portion of the contract and for the termination and settlement of



subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of termination inventory; provided, however, that if the termination is for default of the Contractor there shall not be included any amounts for the preparation of the Contractor's settlement proposal.

(iv) There shall be included therein a portion of the fixed-fee payable under the contract determined as follows:

(A) In the event of the termination of this contract for the convenience of the Government and not for the default of the Contractor, there shall be paid a percentage of the fee equivalent to the percentage of the completion of work contemplated by the contract, less fixed-fee payments previously made hereunder.

(B) In the event of the termination of this contract for the default of the Contractor, the total fixed-fee payable shall be such proportionate part of the fee (or, if this contract calls for articles of different types, of such part of the fee as is reasonably allocable to the type of article under consideration) as the total number of articles delivered to and accepted by the Government bears to the total number of articles of a like kind called for by this contract.

If the amount determined under this paragraph is less than the total payment of fixed-fee theretofore made to the Contractor, the Contractor shall repay to the Government the excess amount.

(2) If the settlement includes only the fixed-fee, the amount thereof will be determined in accordance with subparagraph (e)(1)(iv) above.

(f) The Contractor shall have the right of appeal, under the clause of this contract entitled "Disputes," from any determination made by the Contracting Officer under paragraphs (c) or (e) above, except that if the Contractor has failed to submit its claim within the time provided in paragraph (c) above and has failed to request extension of such time, he shall have no such right of appeal. In any case where the Contracting Officer has made a determination of the amount due under paragraph (c) or (e) above, the Government shall pay to the Contractor the following: (i) if there is no right of appeal hereunder or if no timely appeal has been taken, the amount so determined by the Contracting Officer, or (ii) if an appeal has been taken, the amount finally determined on such appeal.

(g) In arriving at the amount due the Contractor under this clause there shall be deducted (1) all unliquidated advance or other unliquidated payments theretofore made to the Contractor, (2) any claim which the Government may have

against the Contractor in connection with this contract, and (3) the agreed price for, or the proceeds of sale of, any materials, supplies, or other things acquired by the Contractor or sold pursuant to the provisions of this clause and not otherwise recovered by or credited to the Government.

(h) In the event of a partial termination, the portion of the fixed-fee which is payable with respect to the work under the continued portion of the contract shall be equitably adjusted by agreement between the Contractor and the Contracting Officer, and such adjustment shall be evidenced by an amendment to this contract.

(i) The Government may from time to time, under such terms and conditions as it may prescribe, make partial payments and payments on account against costs incurred by the Contractor in connection with the terminated portion of the contract whenever in the opinion of the Contracting Officer the aggregate of such payments shall be within the amount to which the Contractor will be entitled hereunder. If the total of such payments is in excess of the amount finally determined to be due under this clause, such excess shall be payable by the Contractor to the Government upon demand, together with interest computed at the rate of 6% per annum, for the period from the date such excess payment is received by the Contractor to the date on which such excess is repaid to the Government; provided, however, that no interest shall be charged with respect to any such excess payment attributable to a reduction in the Contractor's claim by reason of retention or other disposition of termination inventory until ten days after the date of such retention or disposition.

(j) The provisions of this clause relating to the fixed-fee shall be inapplicable if this contract does not provide for payment of a fixed-fee.

(k) Unless otherwise provided for in this contract, or by applicable statute, the Contractor from the effective date of termination and for a period of six years after final settlement under this contract, shall preserve and make available to the Government at all reasonable times at the office of the Contractor, but without direct charge to the Government, all its books, records, documents, and other evidence bearing on the cost and expenses of the Contractor under this contract and relating to the work terminated hereunder, or, to the extent approved by the Contracting Officer, photographs, micro-photographs, or other authentic reproductions thereof.

(For Fixed-Fee Contracts)

- 5 -

19 January 1955

MEMORANDUM FOR THE RECORD

25X1A SUBJECT: Concurrence in contract with The Ramo-Wooldridge Corporation, signed 12 January 1955 by [redacted] The Ramo-Wooldridge Corporation

25X1A APPROVED:

[redacted]  
Special Assistant to the Director  
for Planning and Coordination

25X1A [redacted]  
General Counsel

CONTRACTOR'S STATEMENT OF CONTINGENT OR OTHER FEES

CONTRACT NO: A 101

The Contractor represents: (a) that he ☐ has, ☒ has not, employed or retained any company or person (other than a full-time bona fide employee working solely for the Contractor) to solicit or secure this contract; and (b) that he ☐ has, ☒ has not, paid or agreed to pay to any company or person (other than a full-time bona fide employee working solely for the Contractor) any fee, commission, percentage or brokerage fee, contingent upon or resulting from the award of this contract, and agrees to furnish information relating thereto as requested by the Contracting Officer. (Note: For interpretation of the representation, including the term "bona fide employee", see General Services Administration Regulations, Title 44, Secs. 150.7 and 150.5 (d) Fed. Reg. Dec. 31, 1952, Vol. 17, No. 253).

The Reno-Walldridge Corporation  
(Contractor)

25X1A

BY

25X1A

TITLE